

~~SECRET~~

DD/S 70-3736

MEMORANDUM FOR: Deputy Director of Planning, Programming and Budgeting

SUBJECT : Draft Agency Notice re Agency
Management Improvement Program

1. Our Offices have reservations about the usefulness of another reporting requirement, particularly in view of the past history of cost reduction reporting; but they also recognize that this is a firm requirement imposed upon the Agency, and we hope that it may prove useful. While our Offices have made considerable progress in past years in work measurement reporting within the Directorate, considerable effort will undoubtedly be required to adapt to the specific requirements and format.

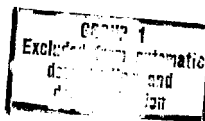
2. Support Offices have expressed the following questions and comments:

a. Why put out a notice? Why not simply use the usual PPB communications system through the Planning Officers' net -- at least until the requirements of A-44 have a chance to "settle down"?

b. The draft appears "watered down" as compared with A-44, almost implying that it will be handled as an exercise rather than taken seriously. Some terms appear better defined in the A-44 version; for example, the reference to awards is likely to create confusion and cause flurries of questions. If A-44 is to be referenced as it is in the draft, it should be distributed to recipients of the notice.

c. Timing may be a problem. With A-44 now seven months old and with a report format not yet prescribed, the 30 October 1970 requirement leaves little time for Directorate and Office implementation. The 30 June annual reporting date provides no time for the obtaining, compiling and reporting of data for the entire fiscal year. A minimum of 30 days is usually required after 30 June to obtain reliable end-of-year feeder data from all sources.

~~SECRET~~



MORI/CDF Pages
3 & 4

SECRET

d. There is some concern that the establishment of goals for the "upcoming" fiscal year may cause subsequent reporting difficulty if the implications of establishing each specific goal are not clearly understood and thought through. Specific examples or further clarification of these points might help.

e. Several Offices have registered objection to the duplication of efforts required to establish a new reporting system while continuing to report similar material in the Program, the annual report and the budget. We intend, therefore, to explore the possibilities of accumulating work load data as "automatically" as possible within the framework of the FAN and ABC systems.

John W. Coffey
Assistant Deputy Director
for Support

SECRET

SECRET

9 SEP 1970

MEMORANDUM FOR: Deputy Chief, Plans Staff, DD/S

SUBJECT : Proposed Notice on Agency Management
Improvement Program

1. In response to your request of 3 September 1970 the following comments on this proposed notice are submitted:

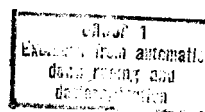
(a) Section IV - Procedures.

Paragraph (1) states that cost reduction proposals will be submitted by 30 June for the coming fiscal year. It would, therefore, appear that any cost reduction would necessarily be based upon the budget estimate level submitted the previous September since fund levels of the operating budget would not be set by 30 June. This should be clarified.

(b) Section IV - Procedures.

Paragraph 2d(6) states that reductions in costs due solely to over estimates in budgetary requirements cannot be considered for cost reduction. It would appear to be difficult to determine of what an over estimate consists. Since estimates are made months in advance and workload changes occur due to change in emphasis, an apparent over estimate may actually be a cost reduction due to change in priorities and applied elsewhere.

SECRET



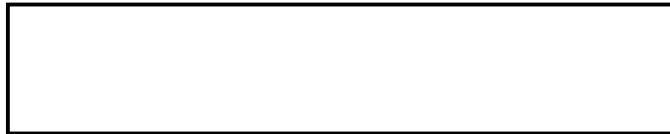
SECRET

(c) Section IV - Procedures.

Carrying cost reductions forward to the two succeeding years, as required in paragraph 3, could lead to compounding cost reduction figures. Incorporation of cost reductions which are applied elsewhere into a budget submission would appear to be superfluous unless they were placed in Accomplishments and Objectives to show change in program emphasis.

(d) Section VIII - Awards.

Paragraph (1), states that memoranda of transmittal should indicate whether a Deputy Director intends to recommend any individuals for incentive awards in connection with the past year's accomplishments. It would appear that procedures should provide for recommendations to be made by the component operating officials since only they can determine whether or not a management improvement proposal was made by a management official in line of duty.



25X1

Director of Security

SECRET

Approved For Release 2006/06/02 : CIA-RDP84-00780R003200160013-8

Page Denied

SECRET

9 SEP 1970

MEMORANDUM FOR: Acting Deputy Director for Support

ATTENTION

PS-DD/S

25X1

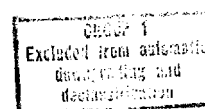
SUBJECT : Proposed Notice, "Agency Management Improvement Program"

1. This memorandum is in response to your note of 3 September 1970 which requests our comments on a draft of an Agency Notice proposed for adoption to implement Federal goals for improving management and reducing costs.

2. All elements of management improvement, including cost reduction, are of vital concern to the Office of Logistics. It is foreseen that a program to further the principles of management effectiveness Agencywide will do much to increase efficiency and productivity, and ensure that maximum manpower benefits are attained wherever possible through refining, adjusting, and restructuring Agency activities.

3. Although we concur in the program purposes and policies, we question the procedural approach in the proposed notice which establishes an additional, new reporting system. This additional system, which requires the submission of an initial "program plan" report by 30 October 1970 and subsequent reports by 30 June each year, appears to overlap and duplicate existing program and report submissions to a great extent. For example, the present Program Call requires the submission of an overview of "Management Support" efforts early in March each year. In response, an entire section of the Fiscal Year 1972 - 1976 Office of Logistics Program Submission, comprising eight pages and an attachment of four pages, was devoted to management effectiveness in terms of goals and accomplishments. In addition, our Significant Office of Logistics Accomplishments Report submitted in August each year amplifies in further detail those actions contributing to management effectiveness. Similarly, cost reduction goals and accomplishments in terms of manpower reductions are also included in our Program Submissions and Significant Accomplishment Reports. Information on awards for recognition of individual accomplishments is provided in our Significant Accomplishment Reports.

SECRET



OL 0 5343

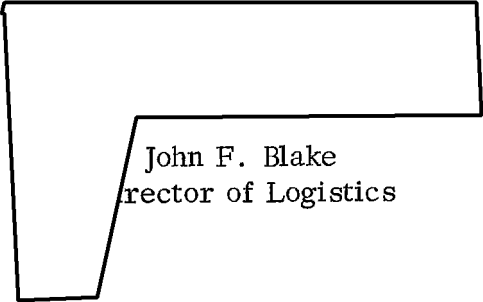
SECRET

SUBJECT: Proposed Notice, "Agency Management Improvement Program"

4. The actual monetary savings, which result or are expected from each management improvement and cost reduction action, have not been routinely identified and reported individually in every case in previous Program Submissions or Significant Accomplishment Reports. Paragraph IV.3. of the proposed notice provides, however, that these data will now be furnished under the additional, new reporting system and "will also be incorporated in the annual budget submission in a manner prescribed in the annual budget call." The proposed notice provides no explanation as to why it is necessary to report the same information twice each year under two separate reporting mechanisms. In the absence of any explained need for dual reporting, it is considered that inclusion of monetary savings in forthcoming Program Submissions would fulfill this reporting requirement.

5. The 30 June annual reporting due date set by the proposed notice does not provide sufficient leadtime to obtain and compile all data on significant management improvement projects during the entire fiscal year. Experience with the Significant Accomplishment Reports has shown that a period of at least 30 days subsequent to 30 June is required to obtain reliable, end-of-the-year feeder data from all activities and sources involved. Accordingly, our Significant Accomplishment Reports are normally submitted early in August of each year.

6. In summary, it is the opinion of the Office of Logistics that, with minor modifications, the information provided in our annual Program Submissions and Reports of Significant Accomplishments will fulfill the reporting requirements for the new program. Accomplishing the new program without imposing an added reporting system and man-hour requirements would also be in consonance with the recently announced Presidential request for all agencies and departments to improve Federal reporting, reduce related paperwork, and discard those reports that fail to meet rigorous standards of need.



John F. Blake
Director of Logistics

25X1

SECRET

8 September 1970

NOTE FOR

STAT

Sam:

I didn't have a chance to get the RCB "editorial Board" to review this package. There will be some format problems--e.g., we don't mix Roman and Arabic numbers -- some paragraphs are captioned -- others aren't, etc., etc.

The proposed Notice seems to be watered down considerably from the intent of the revised A-44, which seems to imply that we intend to handle it as an exercise rather than take it seriously.

Why do we want to put out a Notice? Why not simply use the usual PPB communication system through the Planning Officers' net?

Why redefine terms that are defined better by the A-44 paper? For example, if we don't say any more about awards than is contained in the Notice, we are likely to create confusion and cause flurries of questions.

Coordination by the Planners is not going to simplify the coordination process for Notices--especially in DD/P.

There are several references to A-44 in the Notice, but A-44 won't be available to most recipients of the Notice.

There is no deadline on the establishment of the Management Improvement Program. Although we haven't done anything with it from 16 February 1970 to 10 September--seven months--I don't have the impression that this has been thought through very carefully.

Has Mr. Coffey read A-44? I think he should--or at least he should be told about it in some detail.

RHW

STAT

P.S. If you intended for me to keep this whole package, please return it; I'd like to have it.